

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Municipal Administration Department – Property Tax – Waiver off interest on arrears of Property Tax upto the year 2023-2024 as one time measure in Municipalities and Municipal Corporations – Orders – Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (C2) DEPARTMENT

G.O.Ms.No.35

Dated:29.02.2024

Read :-

From the Commissioner & Director of Municipal Administration,
Vaddeswaram Lr.Roc.No.14034/246/2018-K Sec, dt.07.02.2024.

ORDER:-

In the reference read above, the Commissioner & Director of Municipal Administration, Vaddeswaram has reported that as per provisions of the AP Municipalities Act, 1965 and the Municipal Corporation Act, 1955, property tax demand will be generated for two half years (i.e 1st Half Year – 1st April to 30th September and 2nd Half Year – 1st October to 31st March) on 1st April every year for all ULBs. As per Section 91 of AP Municipalities Act, 1965 and Section 269 (2) of Municipal Corporation Act, 1955 – “ a simple interest at the rate of two percent (2 %) per month shall be charged in case of failure to pay property tax by the end of the month of June for the first half year and by the end of the month of December for the second half year.” He has further reported that their office is receiving requests from various individuals, offices and associations like CREDAI for waiving the interest on late payment of property tax in this year also and that in the previous financial year, the benefit of interest waiver was given only for 14 days with a condition to pay the total arrears in one lump sum, due to which most of the assesses were unable to avail of the benefit of interest waiver in a short time. Further, some of the Municipal Commissioners also requested on waiver off interest on late payment of property tax. He has also reported that due to pandemic situation of COVID and enhancement of Property Tax due to revision of guideline values of Lands & Buildings, a huge amount of Property Tax arrears is accumulated and pending in all ULBs in the State.

2. Therefore, the Commissioner & Director of Municipal Administration, Vaddeswaram has finally reported that waiving of the interest on late payment of property tax may enable the ULBs to improve the efficiency of property tax collection and thereby may result in achieving mandatory reform under 15th Finance Commission i.e. to show consistent improvement in collection of property tax and requested the Government (a) waiving off the interest accumulated on arrears of property tax (Buildings & Vacant Lands) dues upto the year 2023-24 as one time measure in all the ULBs provided the assessee

(P.T.O.)

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pays the total arrears and current year tax in one lump sum or in installments on or before 31.03.2024 (b) the interest amount already paid by the tax payers on arrears and on current year property tax demand during the year 2023-24 may be adjusted towards the future property tax payments, subject to clearance of all dues by 31.03.2024, as was accorded in the previous years.

3. After careful examination of the matter, in exercise of the powers conferred under Section 387-A of the AP Municipalities Act, 1965 under Section 679-E of Municipal Corporations Act, 1955 and in the interest of improvement of revenues to the ULBs, Government hereby order to waive-off the interest accumulated on arrears of property tax (Buildings & Vacant Lands) dues upto the year 2023-24 as one time measure in all the ULBs provided the assessee pays the total arrears and current year tax in one lump sum or in installments on or before 31.03.2024 and the interest amount already paid by the tax payers on arrears and on current year property tax demand during the year 2023-24 be adjusted towards the future property tax payments and no cash refund shall be made, subject to clearance of all dues by 31.03.2024.

4. The Commissioner & Director of Municipal Administration, Vaddeswaram shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**Y.SRILAKSHMI
SPECIAL CHIEF SECRETARY TO GOVERNMENT**

To

The Commissioner & Director of Municipal Administration, Vaddeswaram

Copy to:-

The Commissioner, I&PR Department, AP, Vijayawada.

For information and to give wide publicity in all the medias.

The PS to Spl.CS to the Hon'ble Chief Minister.

The OSD to Hon'ble Minister (MA&UD).

The PS to Spl.CS., MA&UD Department.

Sf/Sc.

//FORWARDED :: BY ORDER//


SECTION OFFICER
